

**ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE**  
**MARCH 2, 2017 - ROOM 2000 - CITY HALL**

**AGENDA**

1. Introductions and Chair remarks (Chair) 7:00 p.m.
2. Consideration of February 2, 2017 meeting minutes (Chair) 7:05 p.m.  
*Action Requested: Review and Approve Minutes*
3. Arlington County Accessory Dwelling Unit Presentation (Joel Franklin) 7:10 p.m.
4. Continuation of Energy Masters Program Support (Shane Cochran) 7:40 p.m.
5. City FY 2018 Budget and Federal Policy Update (Helen McIlvaine/Eric Keeler) 7:50 p.m.
6. Update on CIP Review (Eric Keeler) 8:05 p.m.
7. North Potomac Yard Update (Jon Frederick) 8:15 p.m.
8. Alexandria Redevelopment and Housing Authority Update (Carter Flemming) 8:20 p.m.
9. Alexandria Housing Development Corporation Update (Jon Frederick) 8:25 p.m.
10. Information Items: 8:30 p.m.  
Financial Reports (Eric Keeler)
11. Staff Updates 8:35 p.m.
12. Announcements and Upcoming Housing Meetings (Staff) 8:40 p.m.  
North Potomac Yard Small Area Plan Update  
Advisory Group Meeting, February 28, 2017, 7:00-9:00 p.m., Charles Houston Rec. Center, 901 Wythe Street  
Advisory Group Meeting, March 28, 2017, 7:00-9:00 p.m., Charles Houston Rec. Center, 901 Wythe Street  
Eisenhower West/Landmark Van Dorn Implementation  
Advisory Group Meeting—March 23, 2017 7:00-9:00 p.m., tbd  
Old Town North Small Area Plan  
Advisory Group Meeting—March 30, 2017, 7:00-9:00 p.m., tbd  
City FY 2018 Budget Public Hearing  
Monday, March 13, 4:00 p.m., City Council Chambers  
City Council Budget Work Session: Livable, Green & Prospering City (Housing)  
Tuesday, March 21, 7:00 p.m., Sister Cities  
City FY 2018 Public Hearing on Proposed Tax Rate  
Saturday, April 22, 9:30 a.m., City Council Chambers
13. Other Discussion 8:45 p.m.  
Topics of interest for future meetings
- Adjournment (Chair) 9:00 p.m.

# AFFORDABLE HOUSING ADVISORY COMMITTEE MINUTES

City Hall Room 2000 | February 2, 2017

	Members Present	Members Absent	Staff
1		Michael Butler (m) (excused)	Tamara Jovovic, Housing Analyst
2	Katharine Dixon (m)		Caridad Palerm, Relocation Advisor
3	Carter Flemming		
4	Jon Frederick (m)		
5		Stephen Hales (excused)	
6	Bill Harris (m)		
7	Robyn Konkel, Chair		
8	Michelle Krockner		
9		Jessica Lurz* (excused)	
10	Helen McIlvaine*		
11	Joe Ouellette		
12	Peter-Anthony Pappas		
13	Mary Parker (m)		
14		Yasin Seddiq (excused)	
15	Nechelle Terrell		
16	Eric Weiss		
17		Marian Wiggins (excused)	
18	Paul Zurawski		
19	vacant		
20	vacant		
21	vacant		
	Guests	Affiliation	
1	Roy Priest	ARHA	
2	Betsy Faga	Church of the Resurrection	
3	Connie Staudinger	ARHA	

\*non-voting

(m) – took minutes during fiscal year

The meeting was called to order at 7:00 pm by the Chair. Bill Harris was asked to take minutes.

## 1. Chair Remarks (Chair)

The Chair reported on the January City Boards and Commissions training. The matter of no more than two members communicating about committee business outside committee meetings was discussed. The Chair reminded Committee members not to “reply to all” in email communications.

Communications among three or more member makes the exchange an official meeting which must be advertised as such.

**2. Consideration of January 5, 2017 Minutes (Chair)**

Michelle Krocker made a motion to approve the January minutes; Jon Frederick seconded the motion. The minutes were approved unanimously.

**3. Amendment to Tenant Assistance and Relocation Policy and Report on Committed Affordable Units in Southern Towers (Caridad Palerm)**

In response to the City's efforts to proactively address potential displacement in the Beauregard area, Southern Towers agreed to provide 105 affordable rental units for a period of ten years for the use of impacted Beauregard residents; the affordability agreement for these units expires at the end of 2027.

The redevelopment of Beauregard has not commenced as expected, and area tenants have been reluctant to relocate to Southern Towers. Some of the reasons are that the unit sizes are smaller and of a different type (garden-style versus high-rise) and that the rents are comparable at this point in time. Consequently, the demand for the 105 units has been limited. In response, staff has proposed that the Tenant Assistance and Relocation Policy (TARP) be administratively amended to offer these units to income-eligible households and not just to residents of the Beauregard area.

The Landlord Tenant Relations Board has given its approval. C. Palerm noted that Southern Towers accepts Housing Choice Vouchers (HCV); there might be an opportunity to market some of the units to HCV holders. M. Parker inquired if there were any accessible units and C. Palerm said there were. K. Dixon made a motion and R. Konkel seconded the motion to approve staff's recommendation to amend the TARP. The motion was approved unanimously.

**4. Ramsey Homes Loan Increase Request (Helen McIlvaine/Roy Priest)**

In November 2016, the City Council approved a loan of up to \$1.1 million to the Alexandria Redevelopment and Housing Authority (ARHA) for the redevelopment of Ramsey Homes from a 15-unit public housing development to a 52-unit mixed-income affordable community. An increase in the City loan amount of up to \$2.0 million is needed due to the increase in construction costs since the project was first priced; an anticipated decline in the pricing of tax credits in 2017; and a change in VHDA's scoring system which has put the application at a competitive disadvantage. The increase in the loan would be funded from proceeds of ARHA's future repayment of the City's 2008 Glebe Park loan. Besides the additional \$900,000 in funds being requested from the City, ARHA is also investing around \$1.4 million in proceeds it controls from the James Bland project to offset the shortfall.

E. Weiss made a motion and M. Parker seconded the motion to approve staff's recommendation. The motion passed with one abstention by C. Flemming.

**5. Lacy Court Refinancing Request (Helen McIlvaine/Jon Frederick)**

At the request of the City, AHDC purchased Lacy Court in 2011 from the nonprofit RPJ when the corporation experienced financial and organizational difficulties. AHDC plans to do a much needed major rehabilitation of this three-building, 44-unit property in Del Ray at a cost of approximately \$100,000 per unit. This will include replacing all major building systems, updating kitchens and baths, and considerable site work to address sewer system issues. Through this process, five of the units will be made fully accessible, including roll-in showers. Staff recommends refinancing and renovating Lacy Court utilizing competitive tax credits. To accomplish this AHDC has requested (i) a partial release of the debt secured by an existing City loan in exchange for the City receiving an equity position through a right of first option, (ii) repayment of \$500,000 when the renovation is complete, and (iii) provision of a grant of \$150,000 to AHDC to fund a pilot rental subsidy program to create deep affordability for five units.

K. Dixon made a motion and M. Krocker seconded a motion to approve staff's recommendation. The motion was approved unanimously with two abstentions by J. Frederick and J. Ouellette.

**6. Amendment to Section 7-700 (Tamara Jovovic)**

Section 7-700 of the Zoning Ordinance enables developers to increase the density of a project up to 20% in exchange for building affordable units; Sec. 7-700 also allows for densities greater than 20% to be authorized through the small area planning process. This has been a successful tool in expanding the City's inventory of affordable units without the use of City funds. Staff recommends amending Sec. 7-700 to allow an increase in the maximum bonus density for affordable housing from the current 20% to 30% and to allow increases above 30%, when appropriate, through small area plan updates. Projects located in zones with a 50' or lower height maximum would not be permitted to exceed this restriction. B. Harris made a motion and J. Frederick seconded the motion to approve staff's recommendation. The motion was approved unanimously.

**7. North Potomac Yard Update (Jon Frederick)**

The implementation committee met on January 31st. Upcoming topics will focus on transportation and open space. The plan is anticipated to go to public hearing in June.

**8. Alexandria Redevelopment and Housing Authority Update (Roy Priest/C.Flemming)**

R. Priest informed the Committee that the Andrew Adkins redevelopment project was advancing on an ambitious schedule. A workshop with the Braddock Implementation Advisory Group was to be scheduled in February. ARHA hopes to get City approval in 2017 and apply to VHDA for funding in 2018.

The LIHTC application for Ramsey Homes is due March 3<sup>rd</sup>. The next Section 106 Consulting Parties meeting will be held on February 15<sup>th</sup> to rank mitigation proposals. ARHA continues to participate in the Old Town North Planning Process. C. Flemming noted that a subcommittee had been proposed to address how the City and ARHA can meet the joint obligations of Resolution 830.

**9. Alexandria Housing Development Corporation Update (Jon Frederick)**

Tax credit applications to VHDA for both the Carpenter Shelter's and Lacy Court are on schedule for submission in March. The Gateway project has begun construction. AHDC continues to work closely with Alfred Street Baptist Church on a plan to assist the 22 households impacted by the Church's proposed redevelopment and to prevent a permanent loss of affordable rental units in the City. J. Frederick noted that the Church will bring an affordable housing plan for the 22 affected units to the Committee for review later in the spring.

**10. Other Discussion**

Betsy Faga representing the Church of the Resurrection's redevelopment committee briefed the Committee on the status of the Church's application to redevelop the property in partnership with AHC.

The meeting adjourned 8:50 pm.

# City of Alexandria, Virginia

## MEMORANDUM

DATE: FEBRUARY 24, 2017

TO: ALEXANDRIA HOUSING AFFORDABILITY ADVISORY COMMITTEE

FROM: HELEN S. MCILVAINE, DIRECTOR, OFFICE OF HOUSING

SUBJECT: PROPOSAL TO CONTINUE SUPPORT FOR ENERGY MASTERS  
PROGRAM IN FY2018-19

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In February 2015, City Council approved a proposal to bring the volunteer-driven Energy Masters program to the City of Alexandria. City support included a two-year grant of \$20,000 from unobligated program income generated by the Neighborhood Stabilization Program (NSP). In addition to training a cadre of local volunteers who educate low-income residents on how to best use green building features and conserve energy use, the volunteers work directly with households to install low-cost fixes that reduce water and utility usage. To date, Energy Masters has completed work at 68 units over three workdays at ARHA's Princess Square Apartments (formerly known as Jefferson Village) and will hold a final Alexandria workday on March 4 at CLI's 28-unit Elbert Avenue Apartments. Approximately 684 volunteer hours have been contributed to City-assisted properties so far.

While the overall impacts of the improvements at Princess Square have not yet been measured, in other jurisdictions the program has led to a 6% reduction of electricity and water use at participating properties, and overall greenhouse gas emission associated with energy consumption from the properties has decreased 4.25%. We expect similar results will be achieved at the Alexandria properties served by Energy Masters.

Modeled after the Master Gardeners Program, Energy Masters is jointly administered by the Virginia Cooperative Extension (VCE) and Arlingtonians for a Clean Environment (ACE). The goals of Energy Masters are to 1) reduce energy costs for both residents and property owners of assisted rental communities, 2) improve the energy efficiency of these units, 3) improve the comfort of the homes, and 4) improve the quality of life for City residents by decreasing the amount of greenhouse gases released into the atmosphere. In addition to contributing to housing affordability, the program goals align with both Goal 7 of the Housing Master Plan as well as multiple goals of Alexandria's Eco-City charter. As designed, the program has also supported ARHA's Strategic Plan goals to empower its residents and increase self-sufficiency.

Given the benefits of the program, as well as its long-term impacts and significant leveraging of resources, the Office of Housing is proposing to extend support for an additional two-year cycle using \$27,500 from the limited unobligated funds generated through fees earned pursuant to the City's 2009 NSP grant. The Virginia Department of Housing and Community Development has

approved the use of these funds for NSP-related activities like energy conservation efforts. The funds have also been used to fund carrying costs or unexpected repairs to units acquired through the program. Funds provided by the City are used for staffing and coordination related to volunteer training and work days, and for supplementing donated materials, as needed, to make energy improvements. If continued, Energy Masters in Alexandria would focus its efforts over the next two years on working with the 207 households living at Brent Place. The City has already been involved in supporting energy improvements there at the property level, and staff believes that working one-on-one with residents to make improvements within the units will further enhance housing affordability and cost savings.

When City support for an Alexandria Energy Masters program was approved in 2015, City Council determined that future support could be provided administratively if funds were available and if the program was successful. The Energy Masters program and the City's participation were recognized with multiple awards, including an award for Best Energy Conservation Program at the 2016 Virginia Governor's Housing Conference. We believe it meets the criteria for continued support and request AHAAC's concurrence with this recommendation.

# Housing Opportunities Fund Financial Status

As of January 31, 2017

	HTF	General Fund	HOME and Match	Tax Revenue	Authorized Bonds	TOTAL
Balance as of December 31, 2016	5,036,065	0	620,175	1,329,584	6,800,000	13,785,824
<b>January 2017 Expenditures</b>						0
Alexandria Housing Development Corporation (AHDC)	(72,735)					
AHDC Carpenter's Shelter	(124,159)					
AHDC King and Beauregard	(81,756)					
Balance Available Before Outstanding Commitments	4,757,415	0	620,175	1,329,584	6,800,000	13,507,174
<b>Outstanding Commitments</b>						
Alexandria Housing Development Corporation (AHDC)	72,015	0	0	0	0	72,015
AHDC King and Beauregard	2,640,260	0	460,877	571,584	1,600,000	5,272,721
AHDC Carpenter's Shelter	1,535,435	0	159,296	758,000	4,341,787	6,794,518
AHC Inc. Church of the Resurrection	400,000	0	(0)	0	0	400,000
Fees for Professional Services	41,850	0	0	0	0	41,850
Unreserved Balance as of January 31, 2017	67,955	0	0	0	858,213	926,069



## Housing Trust Fund Programs Financial Status

As of January 31, 2017

<b>Balance as of December 30, 2016</b>	<b>7,694,454</b>
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### Revenues for January 2017

Contributions	0	
Loan Repayments		
Moderate Income Homeownership Program (MIHP)	0	
Employee Homeownership Incentive Program (EHIP)	7,890	
HCS - Subordination Fee Deposits	0	
		<b>7,890</b>

### Expenditures for January 2017

Flexible Homeownership Program	0	
Homeownership Counseling	(500)	
Rebuilding Together Alexandria	0	
Housing Opportunities Fund - <i>see attached report</i>	(278,650)	
Rental Accessibility Modification Program (RAMP)	0	<b>(279,150)</b>

<b>Balance Available Before Outstanding Commitments/Reservations</b>	<b>7,423,195</b>
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### Outstanding Commitments/Reservations as of January 31, 2017

Braddock Small Area Plan Fund	834,080	
Flexible Homeownership Program	804,320	
HOME/HOF Match	167,799	
Homeownership Counseling	117,216	
FY 2018 Budget Reservation	400,000	
Housing Opportunities Fund - <i>see attached report</i>	4,757,415	
Rebuild Together Alexandria	0	
Rental Accessibility Modification Program (RAMP)	2,729	<b>(7,083,558)</b>

<b>Unreserved Balance as of January 31, 2017</b>	<b>339,637</b>
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